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1,941
58L752

NOVEMBER 1975

CORE LIST

Reserve

SUPPLEMENT TO LMS-205

LIVESTOCK AND MEAT Situation



LIVESTOCK AND MEAT SITUATION

Feedlot Placements Jump

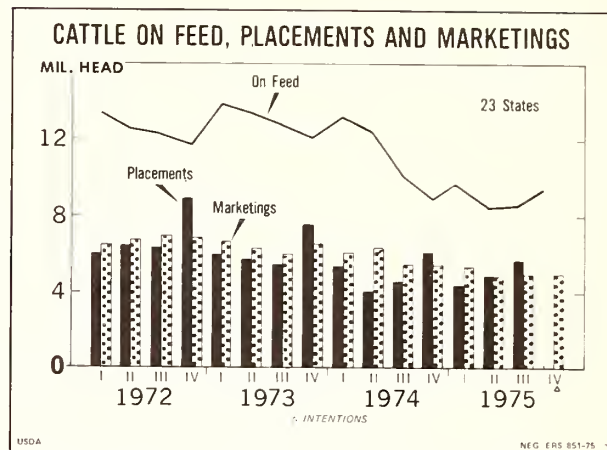
Relatively strong fed cattle prices and continued favorable feeding margins helped to produce a surge in feeder cattle placements late in the summer. After declining 13 percent in July and rising only 5 percent in August, placements of cattle on feed in the seven major feeding States during September jumped 35 percent above a year earlier. The large September movement of cattle into feedlots boosted third quarter placements in 23 States 22 percent above a year earlier, the second consecutive quarterly increase following 2 years of decline.

September placements in the seven States totaled over 2 million head, the largest September level on record

23 States cattle on feed, placements and marketings

Year	On feed		Place-ments ²		Market-ings	
	1,000 head	Change pre-vious year	1,000 head	Change pre-vious year	1,000 head	Change pre-vious year
1971						
I	12,209	-0.3	5,734	+12.0	6,231	+1.4
II	11,712	+0.8	5,455	+4.1	6,278	+0.9
III	10,889	+2.4	6,371	+3.7	6,594	+4.6
IV	10,666	+2.3	8,842	+10.6	6,178	-0.6
1972						
I	13,330	+9.2	5,933	+3.5	6,443	+3.4
II	12,820	+9.5	6,364	+16.7	6,727	+7.2
III	12,457	+14.4	6,224	-2.3	6,907	+4.7
IV	11,774	+10.4	8,862	+0.2	6,775	+9.7
1973						
I	13,861	+4.0	6,040	+1.8	6,585	+2.2
II	13,316	+3.9	5,696	-10.5	6,283	-6.6
III	12,729	+2.2	5,283	-15.1	5,958	-13.7
IV	12,054	+2.4	7,491	-15.5	6,478	-4.4
1974						
I	13,067	-5.7	5,242	-13.2	5,999	-8.9
II	12,310	-7.6	4,008	-29.6	6,271	-0.2
III	10,047	-21.1	4,627	-12.4	5,522	-7.3
IV	9,152	-24.1	6,005	-19.8	5,538	-14.5
1975						
I	9,619	-26.4	4,376	-16.5	5,522	-8.0
II	8,473	-31.2	5,082	+26.8	5,013	-20.1
III	8,542	-15.0	5,777	+24.9	5,018	-9.1
IV	9,301	+1.6			5,054	-8.7

¹ Expected marketings. ² Beginning 1974 other disappearance subtracted.



for these States and the largest for any month since October 1973. Placements in each of the seven States rose sharply over a year earlier in September, but the largest year-to-year increases were in Arizona, Kansas, and Texas, where commercial feedlots predominate. Large increases in these States suggest that some outside investment capital may be moving back into the Southwest's cattle feeding industry.

Placements during the third quarter were large enough to raise the quarterly cattle on feed inventory over a year earlier for the first time since October 1973. On October 1 the 23 State inventory stood at 9.3 million head, up 2 percent from October 1974 but still 23 percent below the record October 1 level of 12 million head set in 1973.

Feeding Periods May Lengthen

Recent trends toward placing heavier cattle on feed for a shorter turn in the feedlot may be reversing again. Lightweight feeder cattle selling at a discount from heavier feeders, coupled with recent declines in feed prices, have helped strengthen feedlot demand for calves. Also, the supply of heavy feeder cattle is being worked down. Apparently, more light cattle were placed on feed during the

summer and early fall than in previous months. All the increase in the October 1 cattle on feed inventory was in the under-900-pound weight groups. The sharpest year-to-year increases were in the number of cattle on feed weighing less than 700 pounds. The number of cattle on feed weighing over 900 pounds remained well below year-ago levels.

Although still below 1973 levels, the number of heifers on feed this fall was up 23 percent from October 1974, while the inventory of steers on feed was down 6 percent.

Increased feedlot demand in late summer and early fall helped bolster the feeder cattle market even though cattle began moving off grass in volume. Choice 600-700 pound feeder steers at Kansas City reached yearly highs in September and October of around \$38-\$39 per 100 pounds. This was up almost \$4 from mid-August and about \$10 above 1974 levels. Lightweight feeder cattle, however, still sold \$2-\$4 per 100 pounds below heavier animals of comparable grade.

Cattle feeders in the 23 States on October 1 planned to market just over 5 million fed cattle for slaughter during October-December, slightly more than in the third quarter. If these intentions are realized, fourth quarter marketings would be the smallest for that season since 1966, 9 percent short of a year ago, and 22 percent below 1973. Feeders planned to market 35 percent of these cattle during October, 31 percent in November, and 34 percent in December.

More Fed Cattle Ahead

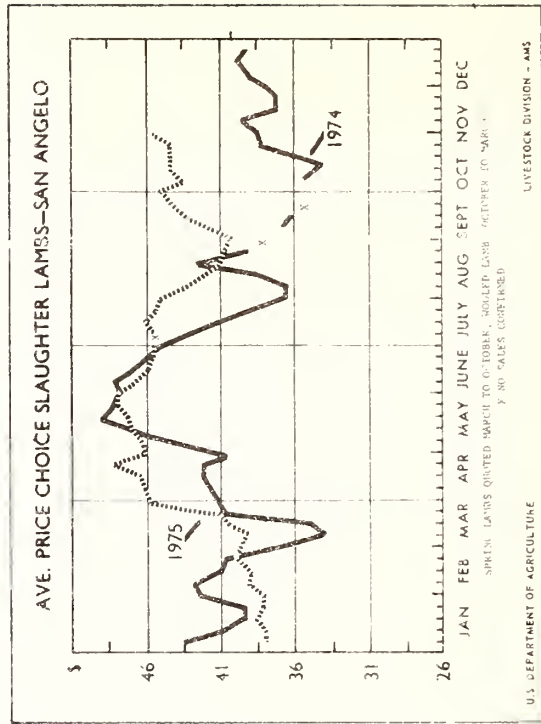
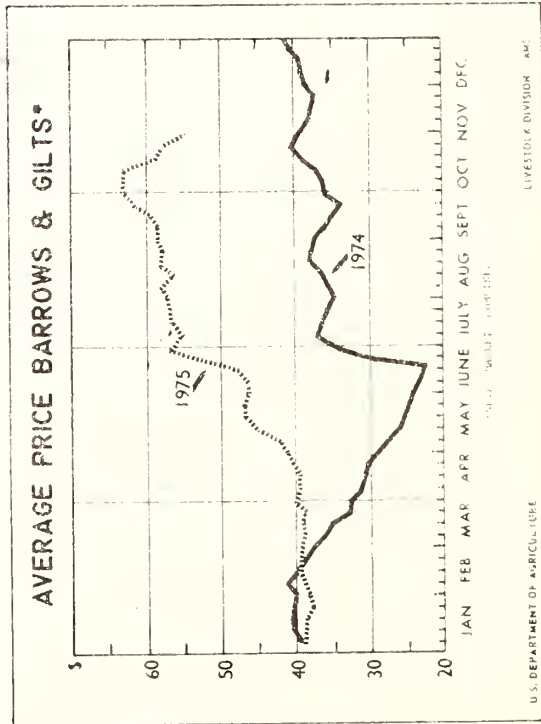
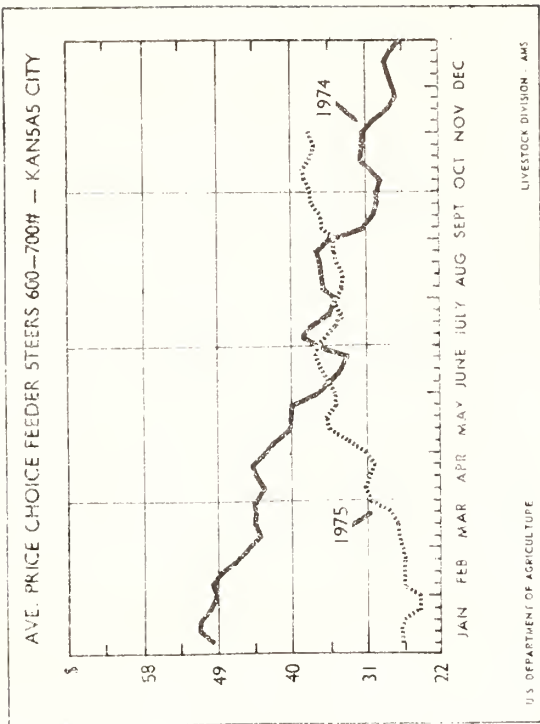
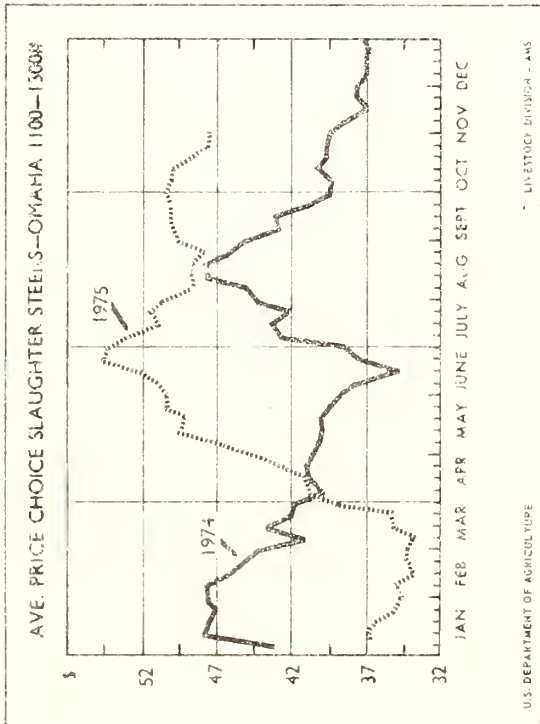
Judging from the number of cattle on feed by weight groups, fed beef supplies will continue below year-earlier levels for the remainder of this year, but then begin to increase in the winter. Longer feeding periods may help to stretch out marketings and could prevent a bulge in fed beef supplies in early 1976. Expected

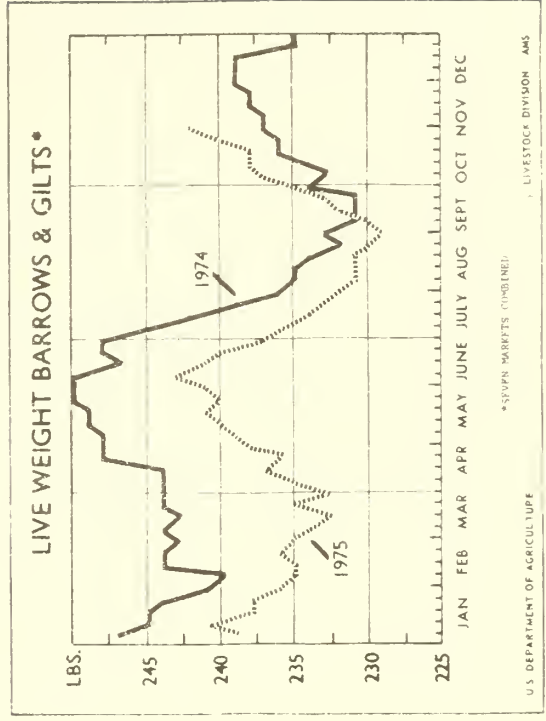
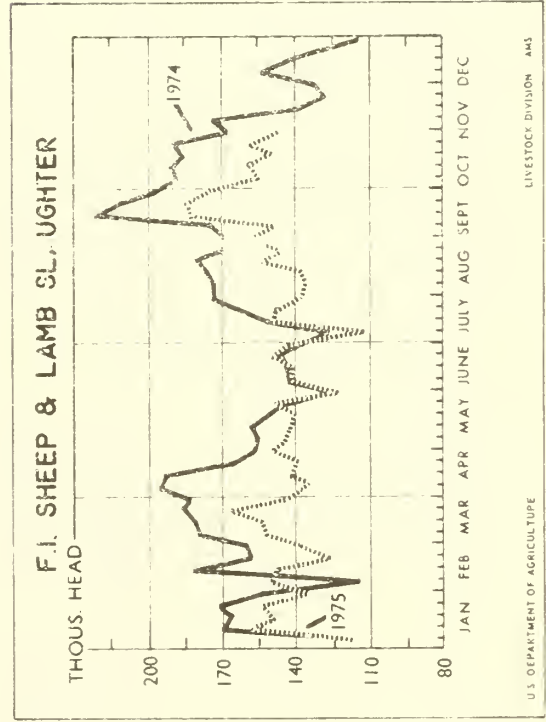
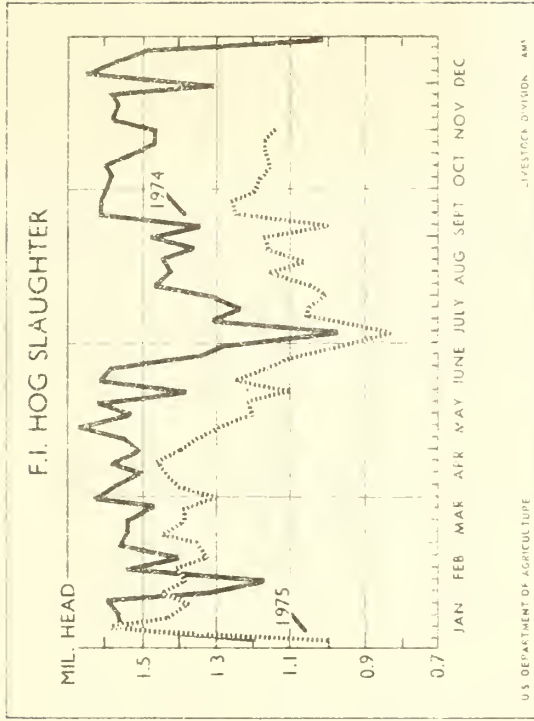
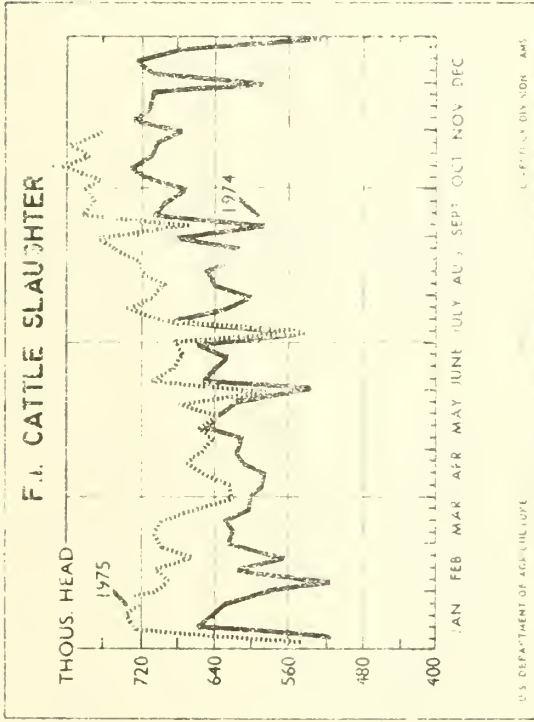
seasonal reductions in nonfed slaughter in the winter and spring may partially offset expected increases in fed marketings. Even so, more fed beef will place downward pressure on fed cattle prices in early 1976. Most cattle feeders were able to cover production costs in late October with Choice slaughter steers selling around \$46-\$48 per 100 pounds. But considering recent increases in the cost of feeder cattle, expected declines in fed cattle prices this fall and winter might squeeze feeding margins again and slow the rate of feeder cattle placements. Lower feed costs through the winter would at least partially offset some declines in fed cattle prices.

Hog Prices Drop

Although hog slaughter and pork production through most of October continued to run 20-25 percent below year-earlier levels, market hog prices dipped sharply around mid-month. Barrows and gilts at seven markets topped a record \$63 per 100 pounds in late September and early October but by the end of the month had fallen into the low to mid-\$50's. Day-to-day price fluctuations were wide as hog prices moved lower. Price declines were generally precipitated by lower beef prices, some seasonal increase in weekly hog slaughter rates, the sodium nitrite issue, and adjustments in farm-to-retail marketing margins. The decline in live hog prices was preceded by a significant narrowing of the spread between farm and wholesale prices.

Retail pork prices in mid-October were at record levels of about \$1.59 per pound, 6 cents per pound above the average retail price of beef. The hog market may continue to be rather volatile for the next several weeks, but considering the relatively small pork supply expected for the remainder of 1975, further sharp declines in hog prices seem unlikely.





Selected price statistics for meat animals and meat

Item	1975									
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	
Dollars per 100 pounds										
MARKET PRICES:										
SLAUGHTER CATTLE:										
Steers:										
Omaha:										
Prime, 1100-1300 lb.	35.74	37.24	44.51	51.59	55.26	53.78	—	—	—	
Choice, 900-1100 lb.	34.74	36.08	42.80	49.48	51.82	50.21	46.80	48.91	47.90	
Good, 900-1100 lb.	31.43	32.93	38.92	44.00	45.85	43.34	39.52	41.09	41.39	
California, Choice 900-1100 lb.	37.19	38.81	45.95	52.00	53.94	50.50	45.75	—	45.58	
Colorado, Choice 900-1100 lb.	34.52	36.21	43.95	51.35	53.86	50.98	46.48	48.99	47.79	
Cows:										
Omaha:										
Commercial	18.19	19.54	21.87	23.59	23.55	22.13	21.99	23.45	23.45	
Utility	18.18	19.45	21.67	23.55	23.32	22.00	21.29	22.45	22.01	
Cutter	16.02	17.25	18.98	19.64	19.94	19.42	18.84	19.64	18.70	
Canner	13.58	14.99	16.51	16.43	16.91	16.90	16.72	17.02	15.66	
Vealers, Choice, S. St. Paul	40.25	38.90	46.84	40.56	39.15	39.01	37.10	36.57	42.52	
FEEDER STEERS:										
Kansas City:										
Choice, 400-500 lb.	26.29	29.14	31.45	34.66	35.82	32.58	31.70	35.15	36.04	
Choice, 600-700 lb.	26.96	28.75	31.69	35.50	36.81	34.70	34.34	37.59	38.09	
Good, 600-700 lb.	23.19	24.34	26.54	29.45	30.16	28.60	29.15	33.48	33.10	
All weights and grades	26.82	27.86	30.73	34.87	33.52	32.53	32.93	35.98	36.74	
Amarillo:										
Choice, 600-700 lb.	26.31	28.38	31.87	34.03	36.91	34.40	34.18	37.11	36.15	
Good, 600-700 lb.	21.56	24.08	27.33	29.81	32.75	29.38	23.12	28.62	30.03	
Georgia Auctions:										
Choice, 600-700 lb.	24.62	24.62	27.40	29.88	31.38	30.40	28.06	30.56	30.65	
Good, 400-500 lb.	21.50	21.19	24.15	25.19	25.44	23.00	22.50	24.38	24.25	
SLAUGHTER HOGS:										
Barrows and Gilts:										
Omaha:										
Nos. 1 & 2, 200-220 lb.	40.20	40.17	41.54	47.56	52.19	57.81	58.73	61.26	59.72	
Nos. 1 & 2, 220-240 lb.	40.26	40.20	41.57	47.51	52.26	58.00	58.89	61.30	59.47	
All weights	39.33	39.20	40.25	46.13	50.77	56.66	57.88	61.11	58.20	
Sioux City	39.69	39.59	40.74	46.42	51.31	57.25	58.12	61.19	58.76	
7 markets ¹	39.61	39.52	40.69	46.44	51.19	57.12	58.10	61.23	59.41	
Sows:										
7 markets ¹	36.52	36.58	37.00	41.12	44.28	49.59	51.89	54.56	52.67	
FEEDER PIGS:										
U.S. No. 1 & 2, So. Missouri, 40-50 lb. . .	35.75	39.75	43.05	44.00	44.65	44.10	46.75	58.81	56.55	
SHEEP AND LAMBS:										
Slaughter:										
Lambs, Choice, San Angelo	39.31	46.50	46.65	47.62	46.06	45.25	40.75	43.50	44.50	
Lambs, Choice, So. St. Paul	40.42	42.44	44.18	50.18	45.94	44.09	39.91	42.14	43.14	
Ewes, Good, San Angelo	15.56	17.25	18.40	15.44	15.38	17.00	13.44	12.94	12.35	
Ewes, Good, So. St. Paul	7.00	8.12	8.88	9.42	9.83	9.94	8.15	8.75	8.93	
Feeder Lambs:										
Choice, San Angelo	35.31	37.38	43.65	43.00	39.69	40.25	38.75	41.25	42.55	
Choice, So. St. Paul	34.78	36.74	37.00	37.79	37.35	37.10	35.52	36.63	41.70	
FARM PRICES:										
Beef cattle:	26.90	27.80	31.80	36.50	38.50	36.20	33.10	34.60	34.40	
Steers and heifers	29.60	30.50	34.90	40.10	42.60	40.70	37.10	38.70	38.30	
Cows	18.10	18.70	20.10	22.20	21.90	20.60	19.70	20.50	19.80	
Calves	24.30	24.70	26.80	29.50	29.70	28.10	25.70	27.40	27.40	
Hogs	28.40	38.30	39.30	45.10	47.30	54.10	56.00	58.50	58.00	
Sheep	9.90	10.10	11.40	11.70	11.40	11.90	11.00	11.50	11.10	
Lambs	38.10	39.90	42.70	45.40	45.10	43.50	39.80	40.40	42.30	
\$ per 100 lb.										
MEAT PRICES:										
Wholesale:										
Chicago:										
Steer beef, Choice, 600-700 lb.	58.41	59.50	70.20	80.60	85.76	84.92	77.95	79.66	75.67	
Heifer beef, Choice, 500-600 lb.	57.63	58.48	68.66	78.92	85.03	83.47	76.20	77.40	73.66	
Cow beef, Canner and Cutter	39.62	41.84	44.07	46.44	46.64	45.38	43.67	45.50	44.10	
Pork loins, 8-14 lb.	76.53	74.79	78.63	92.49	102.04	109.56	105.51	116.67	109.22	
Pork bellies, 12-14 lb.	62.23	62.39	68.56	73.27	82.21	92.92	105.46	103.48	91.44	
Hams, skinned, 14-17 lb.	71.18	70.67	67.56	74.89	79.91	84.93	91.08	99.08	105.70	
East Coast:										
Steer beef, Choice 600-700 lb.	60.34	61.09	71.07	82.09	88.01	84.92	80.09	82.40	79.09	
Lamb, Choice and Prime, 35-45 lb.	88.31	90.56	93.87	97.13	96.75	99.29	91.67	92.36	95.40	
Lamb, Choice and Prime, 55-65 lb.	86.25	89.44	93.07	97.13	96.50	99.29	91.67	92.36	95.20	
West Coast:										
Steer Beef, Choice, 600-700 lb.	61.94	62.90	73.08	83.38	89.16	86.89	81.26	82.80	79.63	
Cents per pound										
Retail:										
Beef, Choice	129.0	127.0	133.9	147.8	157.8	161.0	155.5	152.8	—	
Veal	184.1	180.8	181.9	185.3	186.0	190.1	185.8	182.9	—	
Pork	114.8	113.6	115.7	123.0	130.5	143.7	150.2	153.8	—	
Lamb	157.2	154.7	158.6	164.7	169.9	175.8	174.5	176.8	—	
Price Indexes (BLS, 1967=100)										
Wholesale meat	159.0	159.0	171.6	189.8	199.3	208.0	203.4	209.3	—	
Retail meat	160.9	159.7	160.2	167.9	177.8	188.5	190.4	190.5	—	
Beef and veal	156.6	153.3	154.6	166.4	176.6	186.4	182.5	176.7	—	
Pork	169.6	170.5	170.0	175.6	187.9	204.9	214.5	222.4	—	
Other meats	158.3	158.8	158.6	160.5	166.4	170.1	174.5	176.0	—	
LIVESTOCK-FEED RATIOS, OMAHA ²										
Beef steer-corn	12.5	13.1	15.0	17.6	18.2	17.2	15.0	16.6	17.4	
Hog-corn	14.1	14.3	14.1	16.4	17.9	19.4	18.5	20.7	21.1	

¹ St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. ² Bushels of No. 2 Yellow Corn equivalent in value to 100 pounds liveweight.

Selected marketings, slaughter and stock statistics for meat animals and meat

Item	Unit	1975								
		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
FEDERALLY INSPECTED:										
Slaughter:										
Cattle	1,000 head	3,152	2,778	2,826	2,889	2,851	2,897	3,084	3,141	3,319
Steers	1,000 head	1,535	1,412	1,452	1,428	1,364	1,304	1,332	1,308	1,286
Heifers	1,000 head	765	701	700	707	684	714	741	817	948
Cows	1,000 head	786	606	611	683	719	787	912	923	991
Bulls and stags	1,000 head	66	59	63	71	84	92	99	93	94
Calves	1,000 head	284	250	276	284	270	276	344	345	385
Sheep and lambs	1,000 head	662	570	648	627	615	613	635	621	758
Hogs	1,000 head	6,350	5,540	5,751	6,361	5,376	5,077	4,659	4,627	5,217
Percentage sows	Percent	5	4	4	4	5	6	7	7	6
Average live weight per head										
Cattle	Pounds	1,036	1,036	1,038	1,022	1,017	999	983	981	981
Calves	Pounds	216	216	222	216	227	231	237	225	224
Sheep and lambs	Pounds	106	107	106	105	101	101	101	102	104
Hogs	Pounds	242	236	236	238	240	244	241	237	238
Average dressed weight per head										
Beef	Pounds	609	608	613	600	596	587	571	574	571
Veal	Pounds	123	121	126	122	127	132	133	126	126
Lamb and mutton	Pounds	52	53	52	52	50	49	49	50	51
Pork	Pounds	166	163	161	164	163	167	166	164	165
Lard	Pounds	16	15	16	14	15	14	14	14	14
Production:										
Beef	Mil. lb.	1,914	1,684	1,728	1,727	1,694	1,697	1,756	1,798	1,890
Veal	Mil. lb.	35	30	34	34	34	36	45	43	48
Lamb and mutton	Mil. lb.	34	30	34	32	30	30	31	31	38
Pork	Mil. lb.	1,049	900	922	1,043	876	842	864	845	861
Lard	Mil. lb.	98	84	91	92	83	71	64	64	72
COMMERCIAL:										
Slaughter: ¹										
Cattle	1,000 head	3,506	3,082	3,132	3,206	3,149	3,193	3,400	3,468	3,672
Calves	1,000 head	375	330	361	384	371	382	468	466	515
Sheep and lambs	1,000 head	682	586	675	652	636	636	658	648	785
Hogs	1,000 head	6,759	5,892	6,105	6,731	5,693	5,386	4,955	4,883	5,468
Production:										
Beef	Mil. lb.	2,100	1,843	1,890	1,894	1,849	1,849	1,915	1,961	2,066
Veal	Mil. lb.	59	50	56	60	59	63	77	73	82
Lamb and mutton	Mil. lb.	35	31	35	34	31	31	32	32	40
Pork	Mil. lb.	1,113	954	976	1,100	925	889	817	794	901
Lard	Mil. lb.	103	87	94	96	86	74	68	67	75
COLD STORAGE STOCKS FIRST OF MONTH:										
Beef	Mil. lb.	402	414	392	383	348	308	288	268	257
Veal	Mil. lb.	14	15	14	13	11	11	10	8	9
Lamb and mutton	Mil. lb.	14	12	11	9	10	9	7	7	10
Pork	Mil. lb.	307	295	301	299	343	322	283	228	185
Total meat and meat products ² ..	Mil. lb.	803	815	798	783	794	722	652	573	514
FOREIGN TRADE:										
Imports: (carcass weight)										
Beef and veal	Mil. lb.	192	139	151	124	110	146	154	167	168
Pork	Mil. lb.	44	33	40	37	34	31	38	26	33
Lamb and mutton	Mil. lb.	1	2	2	3	1	2	3	4	3
Exports: (carcass weight)										
Beef and veal	Mil. lb.	4.09	4.24	4.02	4.33	3.34	2.92	2.97	3.84	3.01
Pork	Mil. lb.	8.61	10.64	24.88	10.68	13.42	19.18	23.73	22.18	18.98
Lamb and mutton	Mil. lb.	.39	.26	.39	.37	.40	.29	.37	.26	.28
Live animal imports:										
Cattle	Number	7,570	7,272	6,421	8,697	18,997	33,064	18,801	5,110	15,861
Hogs	Number	2,417	2,586	2,170	2,268	2,433	385	48	2,574	4,506
Sheep and lambs	Number	2	14	2	54	39	97	22	795	737
Live animal exports:										
Cattle	Number	25,877	15,046	14,405	15,597	15,260	15,223	18,348	9,873	13,898
Hogs	Number	246	4,105	472	764	1,532	785	2,647	758	799
Sheep and lambs	Number	29,254	27,975	32,502	41,755	28,275	40,680	36,656	30,719	17,518

¹ Federally inspected and other commercial. ² Includes stocks of canned meats in cooler in addition to the meats listed.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

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